

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

May 20, 2019
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen. Present 9, Absent 0.

Also present were City Administrator Ike Holland, Police Chief Jim Felt, Finance Director Steve Okins, Public Works Director Sean Christensen, Planning and Development Services Director David Ramstad, Fire Chief Frank Hanson, Human Resource Director Samantha Beckman, City Clerk Judy Thompson and City Attorney Robert Scott.

Mayor Calvin stated under the Community Development Committee Report, Item B – Resolution Approving Plans and Specifications for Airport Pavement Rehabilitation Project would be addressed first, and Item A – Consideration of Flood Insurance Rate Map would be addressed second.

Council Member Fagerlie moved to approve the agenda, as amended. Council Member Nelsen seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda.

- A. Willmar Municipal Utilities Board Minutes of May 13, 2019
- B. Planning Commission Minutes of May 1, 2019
- C. Application for Temporary Appointment to the Airport Commission – Dan Reigstad
- ~~D. Accounts Payable Report May 2 through May 15, 2019~~
- E. Willmar Lakes Area CVB Board Meeting Minutes of April 16, 2019
- F. City Hall Task Force Meeting Summary of April 23, 2019
- G. Invest in Willmar Board Meeting Summary of April 24, 2019

Council Member Mueske offered a motion to approve the Consent Agenda. Council Member Asmus asked that Item D. be removed for discussion. Council Member Plowman seconded the motion to approve the consent agenda, with the removal of Item D., which carried.

Council Member Asmus inquired about the expenditures to the Artists, which is part of the grant for downtown, and if there is an update as to where the money is being distributed and the balance remaining on the grant. City Administrator Ike Holland stated several have applied for funds to do their projects and a document was drafted whereby art that is created would be retained by the city.

Following clarification, Council Member Asmus offered a motion to approve Item D. Council Member Fagerlie seconded the motion which carried.

Mayor Calvin read a Proclamation declaring May 21, 2019 as “Tom Corneil Day” in Willmar. Mayor Calvin noted Mr. Corneil was born and raised in Willmar and has been in the insurance business for 72 years. Mr. Corneil was also involved in many activities with the Willmar community throughout the years and the citizens of Willmar are grateful to him for his hard work, leadership in the community, and his service to local organizations.

Sara Sietsema, Atwater, addressed the Mayor and Council during the Open Forum. Ms. Sietsema spoke as the union steward for the AFSCME General Unit and also spoke on behalf of the AFSCME Public Works Unit in regard to the recent compensation study conducted by Springsted Incorporated and their desire to have the discrepancies addressed sooner than later.

Stephen Schmitt, Spicer, addressed the Mayor and Council during the Open Forum. Mr. Schmitt spoke as the AFSCME labor representative for the City of Willmar. Mr. Schmitt also spoke in regard to the recent compensation study conducted by Springsted Incorporated and his desire to have the discrepancies addressed sooner than later.

The Community Development Committee Report for May 13, 2019, was presented to the Mayor and Council by Council Member Fagerlie. There were two items for consideration.

Item No. 1 Jared Voge stated Runway 13/31, Taxiway A, and the West Taxilanes were originally constructed in 2007. Since that time, no substantial pavement rehabilitation has been completed. In order to preserve the pavement, crack repair and seal coating has been recommended. City staff along with Bolton & Menk met with FAA officials to review the project and request Federal discretionary funding for the project on November 20, 2018. The City Council of Willmar approved a resolution on December 17, 2018 to enter into Work Order # 2 with Bolton and Menk for a professional services contract for airport design, bidding, and construction administration services for the project. Runway 13/31 and Runway 3/21 will be closed during certain periods of the construction. A Construction Phasing Plan has been developed to minimize the closure periods and disruption to pilots. During any runway closure, Life Link III will still be allowed to operate. The total estimated cost of the project is \$980,750.50, which is split 90% Federal, 5% State, and 5% local. The estimated City of Willmar cost for the project is \$48,887.53. This money is allocated in the CIP. It was the recommendation of the committee to approve staff's recommendation.

Resolution No. 19-073 Approving Final Plans and Specifications and Ordering Advertisement for Bids Airport Runway 13/31, Taxiway A, and West Taxilanes Pavement Rehabilitation Project was introduced by Council Member Fagerlie. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Doug Fenster was present to discuss the need for flood insurance rate map due to a property that is being purchased on Country Club Drive. The new FEMA lines modified in 2015 outline that this property is in a flood plain. Fannie Mae/Freddie Mac will not allow financing within a municipality that is not a participant within the flood insurance program. Willmar is not a member of the program. There are eight or nine other properties that will also be impacted by this. Doug Fenster is requesting that the City participate in the FEMA national flood insurance program.

Chair Fagerlie, inquired about the FEMA map and the need for flood insurance. Director Ramstad informed the Committee that there would be negligible cost to the City of Willmar in adopting the flood insurance program and administering flood-proof construction by the Building Official.

Public Works Director Sean Christensen voiced his concern about participating in the program. A federally backed loan wouldn't be allowed without a federally backed program that they have drawn for the flood plains. That doesn't do anything for the conventional loans or other types of buying/selling homes. Mr. Christensen feels this could be an unnecessary burden to property owners.

After lengthy discussion, the Committee is asking staff to clarify any discrepancies on what financing insurance is available, and determine if Willmar would be eligible for federal grants when there is a natural disaster. The Committee also requested that Kandiyohi County Emergency Management Services Director, Kim Lindahl, attend the May 20th Council meeting to clarify any discrepancies.

There was no recommendation from the Committee due to their desire for additional information to be presented to the City Council.

Minnesota Department of Natural Resources (DNR) representative Nathan Jensen from the Spicer office presented pertinent information to the Mayor and Council regarding flood insurance, flood plains, and the process involved.

Following discussion, Council Member Schwantes offered a motion to direct the City Administrator and City Attorney to complete the necessary documents including drafting an ordinance to participate in FEMA flood insurance program. Council Member Plowman seconded the motion which carried.

Item 3 Chair Fagerlie asked Airport Manager Eric Rudningen about the status of T-hangar leases. Mr. Rudningen stated that due to the upcoming Wye Track, they have been in contact with Justin Boike, who has the majority of ag land leased from the City for the modification of his ag leases. This item was for information only.

The Community Development Committee Report for May 13, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie, seconded by Council Member Nelsen, and carried.

The Labor Relations Committee Report for May 13, 2019, was presented to the Mayor and Council by Council Member Mueske. There were five items for consideration.

Item No. 1 Staff informed the Committee that we had six applicants for our interim opening to date and we discussed next steps to proceed with the interview process. With the current Administrator's last day being June 18, staff was recommending to set the target start date for the Interim to June 11, 2019. Staff was recommending to set a term length for the interim at a minimum of 6 months. Staff was recommending to set a minimum requirement of three days per week for the interim to be on site. The committee also discussed and reduced the Project List and recommended adopting the new list. Staff has the contract, job description, and interview questions from the previous interim and will work within the previous parameters for compensation. Chair Mueske and Council Member Davis volunteered to serve on the hiring committee with HR Director Beckman. It was the recommendation of the committee to approve staff's recommendations.

Following discussion, Council Member Mueske offered a motion to approve the Interim Administrator project list. Council Member Schwantes seconded the motion which carried.

Council Member Mueske offered a motion to set the start date for the Interim for June 11, 2019. Council Member Schwantes seconded the motion which carried.

Council Member Mueske offered a motion to set a term length for the interim at a minimum of six months. Council Member Schwantes seconded the motion which carried.

Council Member Mueske offered a motion to set a minimum requirement of three days per week for the interim to be on site. Council Member Schwantes seconded the motion which carried.

Item No. 2 Staff presented an updated vacation cash out policy that removes the requirement that an employee must take 40 consecutive hours of vacation. The updated policy still requires that employees use 40 hours of vacation time in order to be eligible for a cash out, but it does not need to be consecutive. It was the recommendation of the committee to adopt the updated policy.

Council Member Mueske offered a motion to approve staff's recommendation. Council Member Schwantes seconded the motion which carried.

Item No. 3 Staff presented Springsted's results from the 2018 Compensation Study conducted on the AFSCME union positions along with three salary structure options to choose from for implementation. In comparison with similar cities, Willmar's pay scales are below the market average. Willmar's pay ranges are 12.53 – 19.09 percent below the market rate. Springsted also provided three options for implementing a new City-Wide pay structure. Option A shows a new implementation based solely off of the market rate, Option B shows the pay scales reduced to compensate for the fact that the employer pays 100% of the family health insurance premium. Option C shows the pay scales further reduced to compensate for the employer contribution to the health insurance premium and the employer contribution to the employee's HSA (based on the family rate). The committee's recommendation was to present and discuss these options at the Council Retreat on July 29th with a Springsted representative. The committee also requested more information about our Department Head's pay structure and wanted more information on their pay scales.

Council Member Mueske offered a motion to approve the committee's recommendations. Council Member Schwantes seconded the motion which carried.

Item No. 4 Staff presented the second section of the updated employee personnel policy, updated Conflict of Interest Policy, and Whistleblower Protections Policy obtained from the League of MN Cities. Text in black is League's recommended language and text in red is language pulled from our existing Personnel Policy. It was the recommendation of the committee to adopt the second section of the new Personnel Policy. (See action taken after Item 5)

Item No. 5 Staff presented the third section of the updated employee personnel policy obtained from the League of MN Cities. At the League's recommendation, staff is utilizing their handbook template and customizing it to Willmar's policies and procedures.

Council Member Mueske offered a motion to approve both Items 4 and 5 as recommended by staff. Council Member Schwantes seconded the motion which carried.

The Labor Relations Committee Report for May 13, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Mueske, seconded by Council Member Schwantes, and carried.

The Public Works/Public Safety Committee Report of May 15, 2019 was presented to the Mayor and Council by Council Member Plowman. There were seven items for consideration.

Item No. 1 Staff brought forth, for information, the Police and Fire Department statistics for the month of April. This item was for information only.

Item No. 2 Staff brought forth, for approval, purchase of a brine mixing station and storage tank for the Public Works garage. With the addition of liquid applicator tanks on snow plow trucks, staff solicited quotes for a brine mixing station and storage tank to fill the trucks. Two quotes were received for the station; one from Varitech in the amount of \$77,350.60 and one from Aspen Equipment in the amount of \$60,322. Staff has chosen to proceed with Aspen Equipment and also received a quote from them for a 3,000 gallon storage tank in the amount of \$10,146. It was the recommendation of the committee to approve the purchase of the brine mixing station and tank from Aspen Equipment and electrical work from Kim's Electric in the amount of \$72,300.

Following discussion, Council Member Plowman introduced **Resolution No. 19-074 Awarding the Purchase for a Brine Mixing Station, Storage Tank and Electrical Work in the Amount of \$72,300.00**. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 3 Staff brought forth, for approval, purchase and replacement of a Wastewater tractor. The Wastewater department land applies over four million gallons of MPCA approved bio solids to approximately 2,200 acres of farm fields with a tractor and honey wagon. The current 2009 John Deere 8330 is scheduled for replacement in accordance with the Vehicle Replacement Program and is lacking horsepower for efficient application using the new honey wagon purchased in 2016. State contract pricing was received from Haug Implement Company for a 2019 John Deere 8345R in the amount of \$214,744.27, which includes \$100,000 trade in value for the current tractor. It was the recommendation of the committee to approve the purchase of a John Deere 8345R from Haug Implement Company in the amount of \$214,744.27.

Resolution No. 19-075 Approving the Purchase of a 2019 John Deere 8345R Tractor in the Amount of \$214,744.27 was introduced by Council Member Plowman. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 4 Staff brought forth, for approval, purchase of a portable pump for the Wastewater department. They currently have six smaller pumps with are only used for sanitary sewer emergency bypass events. A larger portable pump will assist in rainstorm flooding events in both sanitary and storm sewers and with the valve vaults in the newer lift stations. Quotes were solicited from Electric Pump in the amount of \$67,287 and one from General Repair Service in the amount of \$66,000. Comparing the two quotes, staff finds the one from

Electric Pump has better capacities with diverse pump control features. It was the recommendation of the committee to approve the purchase of one trailer mounted portable pump from Electric Pump in the amount of \$67,287.

Resolution No. 19-076 Approving the Purchase of a Trailer Mounted Portable Pump in the Amount of \$67,287.00 was introduced by Council Member Plowman. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 5 Staff brought forth, for approval, to declare costs to be assessed, adopt resolution of intent to reimburse on all 2019 Improvement Projects, order preparation of the assessment roll, and to call for the Assessment Hearing on City Projects Nos. 1901-A, 1901-B, 1903-A, 1903-B, and 1903-C. Bids were opened on May 9th and the amount received to perform the necessary improvements is known. Staff is preparing the assessable footage and the amount for each affected lot. It was the recommendation of the committee to declare costs to be assessed, adopt resolution of intent to reimburse on all 2019 Improvement Projects, order preparation of the assessment roll, and to call for the Assessment Hearing on June 17, 2019 for Project Nos. 1901-A, 1901-B, 1903-A, 1903-B, and 1903-C.

Following discussion, **Resolution No. 19-077 Declaring Costs to be Assessed, Ordering Preparation of the Assessment Roll and Calling Hearing on Assessments for Project Nos. 1901-A, 1901-B, 1903-A, 1903-B and 1903-C; 2019 Street and Other Improvements** was introduced by Council Member Plowman. Council Member Alvarado seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Resolution No. 19-078 Establishing Procedures Relating to Compliance With Reimbursement Bond Regulations Under the Internal Revenue Code was introduced by Council Member Plowman. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 6 Staff brought forth, for approval, to reject the bids received for the DOAC pool resurfacing project. The CIP includes \$200,000 for the project with two bids received; one from Horizon Commercial Pool Supply in the amount of \$349,400 and one from Global Specialty Contractors, Inc. in the amount of \$299,000. With the bids significantly higher than budgeted, staff will rebid the project with pool decking as an alternate and adjust the capital budget to accommodate for the increased expense. It was the recommendation of the committee to reject all bids for the DOAC pool resurfacing project and instruct staff to receive new bids for completion by spring, 2020.

Council Member Plowman offered a motion to approve the recommendation of the committee. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 7 Staff brought forth, for information, a status update on the Cambridge drainage pond project. The latest estimate from Bolton & Menk on the project came in at \$885,544.06, which is twice the original estimate of \$444,448. Staff is looking at other design options within the Engineering department and with Bolton & Menk staff. This item was for information only.

Mayor Calvin encouraged staff to work with the Public Works committee to get this project completed in 2019.

The Public Works/Public Safety Committee Report for May 15, 2019, was approved as presented, and ordered placed on file in the City Clerk's Office upon motion by Council Member Plowman, seconded by Council Member Nelsen, and carried.

Planning and Development Services Director David Ramstad presented a request to consider a text amendment to the zoning ordinance relating to General Business District (GBD) to consider a tattoo parlor in the GBD. Mr. Ramstad was recommending the Council approve the **introduction of Ordinance Amending No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 6.I Relating to the General Business District**, and set a public hearing for June 3, 2019 at 7:01 p.m.

Following discussion, Council Member Mueske offered a motion to approve staff's recommendation. Council Member Nelsen seconded the motion which carried.

Mayor Calvin stated the City Council appoints various members/liaisons to the Boards and Commissions of the City biennially. Due to time constraints, Council Member Plowman has provided his resignation from the Economic Development Commission (EDC) Joint Powers Board effective May 31, 2019. Mayor Calvin was asking Council to discuss and appoint by resolution a replacement to the EDC Joint Powers Board effective June 1, 2019.

Following discussion, Council Member Schwantes nominated Council Member Asmus to serve on the EDC Joint Powers Board. Council Member Alvarado seconded the motion.

Council Member Schwantes offered a motion to cast a "white" ballot. Council Member Mueske seconded the motion which carried.

Resolution No. 19-079 Appointment of Council Liaison Position was introduced by Council Member Schwantes. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Clerk Judy Thompson presented a request to approve the State Application and Permit for a 1-Day to 4-Day Temporary On-Sale Liquor License as submitted by the Kandiyohi County Fair Association. Ms. Thompson stated the Kandiyohi County Fair Association is planning to sell alcohol during the Kandiyohi County Fair from August 7 – 10, 2019.

Council Member Schwantes offered a motion to approve staff's recommendation. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Clerk Judy Thompson presented a request to approve the State Application and Permit for a 1-Day to 4-Day Temporary On-Sale Liquor License as submitted by the Willmar Lakes Rotary Club. Ms. Thompson stated the Willmar Lakes Rotary Club plans to sell alcohol during the Willmar Fests Beach Party located at Robbins Island on June 22, 2019.

Council Member Mueske offered a motion to approve staff's recommendation. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Administrator Ike Holland offered the following comments: congratulated City Clerk Judy Thompson for recently receiving her certification as a Minnesota Municipal Clerk; also noted that Ms. Thompson conducted the City Surplus Auction held last Wednesday and noted it was a huge success; acknowledged the Public Works staff for all their work involved in the auction as well as staff from the Police Department; this week is Public Works Week and there will be an open house at the City Garage from 4:00 p.m. to 6:00 p.m. on Thursday and urged the public to attend.

Mayor Calvin offered the following comments: the Planning Commission is in need of a member so please notify either himself or Janell Sommers if you know of someone interested in this position; he attended the Minnesota Mayor's Together meeting last Thursday and Friday in Edina and highlighted several of the topics discussed which included: how to breakdown divide between metro and out-state communities, workforce development, shortage of daycare, and the City of Becker and their Google Data Center; EMS open house is tomorrow from 4:00 p.m. to 6:00 p.m.; Public Works Week is this week; and noted the position of Mayor should be involved in the process of hiring the City Administrator.

Council Member Davis offered the following comments: the Mayor's Bike Ride was held last Friday and she had the opportunity to try out the new Koloni bikes and thought they were great.

Council Member Alvarado offered the following comments: he attended the 2040 program last Thursday, "13 Ways to Destroy Your Community", he thought it was great and we should promote the international community within the City of Willmar.

Council Member Asmus offered the following comments: May 15th was Peace Officers Memorial Day, and Officer Tim Wallace, Officer Sam Schaeftbauer and Chief Jim Felt were present to represent Willmar.

Council Member Plowman offered the following comments: the New York Times, Minneapolis Star Tribune, and West Central Tribune featured Willmar in a great news article recently; we need to extract all the good in our community and use it to energize our future.

City Administrator Ike Holland disclosed that Mr. Wodash is the owner of two of the parcels in Block 25 being discussed during the closed session, and he is a part-time employee of the City of Willmar. Administrator Holland stated Mr. Wodash doesn't have any influence on the City's decision to buy or not buy or the price that we might offer, and should not be a conflict of interest for the City.

Mayor Calvin disclosed the Council Member Nelsen has excused herself from any and all discussions regarding the sale of Block 25 due to her possible interest in said property.

At this time, Mayor Calvin stated the Council will now go into closed session pursuant to State Statute 13.D.05, subd. 3 (c) to determine/consider offers or counteroffers for the purchase or sale of real property.

At 9:00 p.m. Council Member Alvarado offered a motion to go into closed session. Council Member Fagerlie seconded the motion which carried.

The Council returned to open session at 10:18 p.m.

Council Member Alvarado offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion which carried. The meeting adjourned at 10:19 p.m.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 19-073

A RESOLUTION APPROVING FINAL PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS AIRPORT RUNWAY 13/31, TAXIWAY A, AND WEST TAXILANES PAVEMENT REHABILITATION PROJECT

Motion by: Fagerlie Seconded by: Nelsen

WHEREAS the airport consultant Bolton and Menk for the City of Willmar has presented to the City Council plans and specifications for the aforementioned project for the City of Willmar;

NOW THEREFORE BE IT RESOLVED BY THE City Council of Willmar:

Final plans and specifications are hereby approved. An advertisement for bids shall be published and shall indicate that bids will be received on June 12, 2019.

Dated this 20th day of May, 2019

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 19-074

**A RESOLUTION AWARDDING THE PURCHASE FOR A BRINE MIXING STATION AND TANK
IN THE AMOUNT OF \$72,300.**

Motion By: Plowman

Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the bid of Aspen Equipment for a brine mixing system and 3,000 gallon storage tank with electrical work from Kim's Electric is accepted, and the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into agreement with the bidders for the terms and consideration of the contract in the total amount of \$72,300.

Dated this 20th day of May, 2019

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson

City Clerk

RESOLUTION NO. 19-075

**A RESOLUTION APPROVING THE PURCHASE OF A 2019 JOHN DEERE 8345R TRACTOR
IN THE AMOUNT OF \$214,744.27.**

Motion By: Plowman

Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the purchase of a 2019 John Deere 8345R tractor is accepted through Contract No. 152244, and be it further resolved the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with Haug Implement Co. for the terms and consideration of the contract in the amount of \$214,744.27.

Dated this 20th day of May, 2019

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson

City Clerk

RESOLUTION NO. 19-076

**A RESOLUTION APPROVING THE PURCHASE OF A TRAILER MOUNTED PORTABLE PUMP
IN THE AMOUNT OF \$67,287.00.**

Motion By: Plowman

Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the purchase of a trailer mounted portable pump is accepted, and be it further resolved the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with Electric Pump for the terms and consideration of the contract in the amount of \$67,287.00.

Dated this 20th day of May, 2019

s/s Marv Calvin

Mayor

Attest:

s/s Judy Thompson

City Clerk

RESOLUTION NO. 19-077

DECLARING COSTS TO BE ASSESSED, ORDERING PREPARATION OF THE ASSESSMENT ROLL AND CALLING HEARING ON ASSESSMENTS FOR PROJECT NOS. 1901-A, 1901-B, 1903-A, 1903-B and 1903-C; 2019 STREET AND OTHER IMPROVEMENTS

Motion By: Plowman Second By: Alvarado

WHEREAS, contracts have been let for the construction of Street and Other Improvements of 2019 in the City, to-wit: City Project Nos. 1901-A, 1901-B, 1903-A, 1903-B and 1903-C, and;

WHEREAS, the total cost of said Street and Other Improvements of 2019 is \$4,944,974.56.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The City Council hereby determines that the City shall pay \$3,136,484.36 of said cost, exclusive of the amount it may pay as a property owner, and the sum of \$1,808,490.20 shall be assessed against benefited property owners based upon benefits received without regard to cash valuation.
2. The Clerk, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land without regard to cash valuation as provided by law, and he shall file a copy of such assessment in his office for public inspection.
3. The Clerk shall, upon the completion of such assessment, notify the City Council thereof.
4. The Clerk shall publish notice that this City Council will meet to consider the proposed assessments on June 17, 2019, at 7:01 p.m. in the Board Room, Kandiyohi County Health & Human Services Building, 2200 23rd Street NE, Willmar, Minnesota.
5. Said notice shall also be mailed to the owners of each parcel of property described in the assessment roll.
6. Such notice shall be in substantially the following form:

7. Said notice shall be published by the City Clerk in the official newspaper at least two weeks prior to the hearing and mailed by said Clerk to the owners of each parcel described in the assessment roll.

Dated this 20th day of May, 2019

s/s Marv Calvin

MAYOR

ATTEST:

s/s Judy Thompson

CITY CLERK

**NOTICE OF HEARING ON ASSESSMENTS FOR
PROJECT NOS. 1901-A, 1901-B, 1903-A, 1903-B AND 1903-C
2019 STREET AND OTHER IMPROVEMENTS**

NOTICE IS HEREBY GIVEN that the City Council of the City of Willmar, Minnesota, will meet in the Board Room, Kandiyohi County Health and Human Services Building, 2200 23rd Street NE, Willmar, Minnesota, on the 17th day of June, 2019, at 7:01 p.m. to consider objections to the proposed assessments for Project Nos. 1901-A, 1901-B, 1903-A, 1903-B and 1903-C of the 2019 Street and Other Improvements heretofore ordered by the City Council.

The proposed assessment roll is on file with the Clerk and open to public inspection.

The area proposed to be assessed consists of every lot, piece or parcel of land benefited by said improvement, which has been ordered made, and is as follows:

Parcel No.
Legal Description

Name
Street
City, State and Zip

The total estimated cost of the assessable improvements are \$4,944,974.56; the City's share of the Project is \$3,136,484.36 (not as a benefited property owner) and \$1,808,490.20 which will be specially assessed against private property of which \$_____ is proposed to be assessed against private property supposedly owned by yourself and described above. The estimated rate of interest to be accrued if the assessment is not prepaid within the required time period is four and thirty hundredths (4.30) percent.

Written or oral objections will be considered at the hearing.

An owner of property to be assessed may appeal the assessment to the district court of Kandiyohi County pursuant to Minnesota Statutes, Section 429.081, by serving notice of the appeal upon the Mayor or Clerk of the City within 30 days after the adoption of the assessment and filing such notice with the district court within 10 days after service upon the Mayor or Clerk. No appeal may be taken as to the amount of any assessment adopted by the City Council unless a written objection signed by the affected property owner is filed with the Clerk prior to the assessment hearing or presented to the presiding officer at the hearing in the manner prescribed by Minnesota Statutes, Section 429.061.

Once special assessment rolls have been approved, property owners have the option of either paying the total amount of their assessment within a prescribed prepayment period without interest or of paying it in ten annual installments with interest added. If the property owner pays the entire amount of the assessment within the prescribed prepayment period ending October 31, 2019, he/she shall pay the amount shown in this notice. Payments made between November 1 and November 15, 2019 will be in the amount shown plus daily interest for each day from the date of borrowing of September 1, 2019, until the day payment is received. For property owner selecting not to pay the full amount by November 15, 2019, the assessment plus interest will be added to your property taxes over a ten-year period. The first year's interest will be charged at a rate of 5.50 percent, calculated on the full principal amount from the date of the bond sale through December 31, 2020 (approximately 18 months).

In all subsequent installment years, the property owner must pay the principal installment plus twelve (12) months of interest, which would have accrued to December 31 of the year for which the payment was certified for collection.

Under provisions of Minnesota Statutes, Section 435.193 to 435.195, the City may, at its discretion, defer the payment of assessments for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability for whom it would be a hardship to make the payments. This deferment must be applied for prior to October 31 of any year in which the property owner qualifies for deferment. The deferred assessment plus applicable interest becomes due upon the death of owner, sale of property, loss of homestead status, or when hardship can no longer be claimed. Applications are available at the City Clerk's office at 333 SW 6th Street.

Adoption by the City Council of the proposed assessment may be taken at the hearing.

If the assessment amount, interest rate, and terms of payments are adopted consistent with this notice, said notice shall constitute your final notice of assessment.

Dated this 20th day of May, 2019

BY ORDER OF THE CITY COUNCIL

_____/s/ Judy Thompson_____
City Clerk

RESOLUTION NO. 19-078

**RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE**

Motion By: Plowman

Second By: Nelsen

BE IT RESOLVED, by the City Council (the "Council") of the City of Willmar, Minnesota (the "City"), as follows:

1. Recitals.

A. The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

B. The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

C. The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

D. The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the City Clerk to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

A. Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A, which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

B. Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

C. Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City doesn't reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

D. The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 20th day of May, 2019, by the Willmar City Council

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

EXHIBIT A

DECLARATION OF OFFICIAL INTENT

The undersigned, being the duly appointed and acting City Clerk of the City of Willmar, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Willmar City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed: 2019 Street Improvements Bond.

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$4,390,000 is the maximum principal amount of the Bonds, which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the Date thereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Dated: May 20, 2019

s/s Judy Thompson

Judy Thompson
City Clerk
City of Willmar, Minnesota

CERTIFICATION

The undersigned, being the duly qualified and acting City Clerk of the City of Willmar, Minnesota, hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular meeting of the Council held on May 20, 2019. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Council Member Plowman moved the adoption of the Resolution, which motion was seconded by Council Member Nelsen. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution:

Council Members Fagerlie, Mueske, Schwantes, Davis, Alvarado, Asmus, Plowman, and Nelsen

and the following voted against the same: None

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect, and no action has been taken by the Council, which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the City Clerk of the City of Willmar, Minnesota, this 20th day of May, 2019.

s/s Judy Thompson
City Clerk
City of Willmar, Minnesota

RESOLUTION NO. 19-079

APPOINTMENT OF COUNCIL LIAISON POSITION

Motion By: Schwantes

Second By: Mueske

WHEREAS, the Willmar City Council adopted Resolution 19-003 on January 7, 2019 and therein appointed Council Member Plowman to fill one of the three seats on the City of Willmar/Kandiyohi County Economic Development Commission ("EDC") Joint Powers Board reserved for City Council Members under the EDC Joint Powers Agreement, with such term to expire on December 31, 2020; and

WHEREAS, Council Member Plowman has submitted his written resignation from the EDC Joint Powers Board effective May 31, 2019, thereby creating a vacancy on the Joint Powers Board on such date.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Willmar, Minnesota, that Council Member Asmus be appointed to fill the vacancy on the EDC Joint Powers Board created by Council Member Plowman's resignation, with such appointment to be effective June 1, 2019.

Dated this 20th day of May, 2019.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK